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SUBJECT: BENIN WRAP-UP MAY 2 - MAY 16, 2008

REF: (A) COTONOU 288 (B) COTONOU 281

1.(U) This cable is the first edition of a bi-weekly summary of events which have occurred in Benin but not been reported elsewhere. Comments for improvements from readers are welcome. Please direct them to Pol/Econ Officer Jason Hahn at hahnje@state.gov.

2.(U) Contents:

- Food Security Agency Provides Food Deficit Estimate
- Local Election Results Not Yet Released
- USAID launches Girl's Education Project, PMI underway
- Challenges exist for small business development in Benin
- MCC moves on land title registration and port improvement
- Embassy kicks off project fighting sexual harassment

Food Security Agency Provides Food Deficit Estimate

13. (SBU) Benin's National Food Aid and Security Office, ONASA, provided the Embassy on May 15 with an estimate of Benin's food deficit over the coming months. According to ONASA, Benin will have a deficit of 50,000 tons of corn, 20,000 tons of rice, and 3,000 tons of beans. The Ministry of Agriculture's Secretary General told the embassy that Benin is formulating a request for international assistance in procuring fertilizer, irrigation equipment, and wells but not direct food aid. The World Food Program (WFP) Coordinator for Food Security in Benin told Poloff the food security situation in Benin will not become a "catastrophe" but will be "serious", particularly in northern Benin. The public remains frustrated with rising prices (inflation reached 5.7% in March 2008) but there is no indication that this frustration will turn violent or present a serious challenge to the government. Please see Ref A for the full report.

Local Election Results Not Yet Released

4.(U) The National Independent Electoral Commission (CENA) is still proceeding with the tabulation of the results from the April 20 municipal elections after it failed to release the results on May 6, as it previously announced. A source from the CENA told the embassy that the CENA has completed 75 percent of the tabulation. According to him, the delay in announcing the first results is linked to the fact that the President of the CENA, Pascal Todjinou, has established a time-consuming method to re-check the counting that polling stations initially did in order to avoid any miscalculations. The source said the CENA would publish the results by next week.

5.(U) Pending the official results of the elections, minority political parties across Benin have embarked on a strategy of encouraging newly elected municipal councilors from Force Cowrie for an Emerging Benin or FCBE (the party allied with President Yayi) to switch parties and vote with the smaller parties to install one of their members as mayor. The delay in election results has slowed

down political activities, including at the National Assembly, as many political actors believe that a possible cabinet reshuffle is contingent upon the official election results. For more reporting on this subject please see Ref B.

USAID launches Girl's Education Project, PMI underway

6.(U) On April 21, USAID awarded a \$5 million cooperative agreement to World Education to implement the Girls' Education and Community Participation Project. This five-year activity will increase girls' access to and continuing enrollment in schools in areas where the gap in the number of girls and boys in school is most pronounced.

7.(U) Implementation of the President's Malaria Initiative (PMI) is underway. USAID handed over drugs for malaria treatment funded under PMI to the Ministry of Health at the end of April. Drugs, including artemisinin-based combination therapy (ACT) and sulfadoxine-pyrimethamine (SP), are to be distributed in all of the country's health zones. Drugs to treat 1,073,000 malaria cases and SP tablets to provide intermittent preventive treatment to 183,300 pregnant women were delivered to the national health commodities supply system.

Challenges exist for small business development in Benin

8.(U) A May 14, a forum sponsored by the Ministry of Industry and Commerce, the Benin Chamber of Commerce and Industry (CCIB), and

COTONOU 00000290 002 OF 002

MCA-Benin under the theme "Formalization of micro, small and medium scale businesses in Benin" illustrated that Benin has a long way to go to formalize its informal economy. Participants at the forum, attended by EconOff, highlighted the weaknesses of the Center for Business Creation (CFE), run by the CCIB. According to the participants, the difficulties related to the registration of a company with CFE include poor management, time consuming procedures which are still decentralized in various ministries, and high costs. The participants agreed that after ten years of existence, CFE's performance is far below expectations. Also drawing criticism was the GOB's complex tax policy which, according to attendees, was the prime reason that businesses do not register. According to the World Bank's Doing Business ratings, Benin is ranked 151 out of 178 countries in terms of the delay in the processing of a new business registration. It takes over 31 days to get a company registered in Benin while it takes 21 days in Niger and Ghana. Forum hosts intend to use forum recommendations to improve the organization of business registration services in Benin.

MCC moves on land title registration and port improvement

9.(U) MCA-Benin moved forward on its program to bring formalization of land titles to 300 rural villages. On May 13, MCC Resident Director Lee Roussel helped open a week of training for over 70 local agents who will soon be starting surveys of the inhabitants of the first eighty villages. Based on the lively questions on the first day, each of these participants are only too familiar with their communities and the many obstacles and problems that this program will resolve.

10.(U) MCA-Benin will soon take the first step towards the procurement of a total of over \$150 million in construction and equipment contracts to modernize the Port of Cotonou. The first invitation to vendors expected to be issued in the next 60 days will result in the "short list." Those firms on the short list will be eligible to respond to the Request for Proposals expected to be issued early in 2009 after all feasibility and environmental studies are complete.

Embassy kicks off project fighting sexual harassment

11.(U) The PolOff, joined by the FSN Political Assistant and Self-Help Coordinator launched, on May 15, a project which will combat sexual harassment in schools. Forty teachers from secondary schools in the Zou and Collines departments are attending the two-day training, which will inform the teachers on Benin's sexual harassment laws and enable them to share that information with other teachers when they return to their schools. The Embassy's Democracy and Human Rights fund provided funding to Women In Law and Development in Africa, an NGO, to conduct the training. The opening ceremony was well covered by radio, television, and print journalists.

BOUSTANI